

ECS File: IGA-87-32
Project: RBM-600-0-306
Section: I-17 T.I. (Yorkshire
Drive)

AGREEMENT

BETWEEN
THE AMERICAN EXPRESS COMPANY
AND
THE STATE OF ARIZONA

THIS AGREEMENT is entered into March 4, 1988,
between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF
TRANSPORTATION, hereinafter referred to as "State," and AMERICAN
EXPRESS TRAVEL RELATED SERVICES COMPANY, INC., a New York
Corporation, hereinafter referred to as "AMEX."

I. RECITALS

1. State is empowered by Sections 28-108, Arizona Revised Statutes, to enter into this agreement, and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this agreement, and the Director of the Arizona Department of Transportation has delegated to the undersigned the authority to execute same on behalf of State.

2. AMEX desires to enter into this agreement and has authorized the undersigned to execute same on behalf of AMEX.

3. State plans to construct improvements along Interstate 17 as part of the Agua Fria/Pima Freeway interchange with Interstate 17, including an interchange at Yorkshire Drive to improve access to the Deer Valley Village core.

4. AMEX has committed to pay \$400,000 toward the costs associated with the new interchange as its sole and exclusive contribution to this interchange project.

THEREFORE, State and AMEX agree as follows:

II. SCOPE OF WORK

1. The State shall develop a project to construct the new interchange, including hiring a consultant to prepare plans and specifications, obtaining all necessary approvals for the addition of the interchange, and acquiring all necessary rights of way for construction of the interchange.

2. After completion of the plans and specifications, the State shall solicit bids, award a contract for the interchange construction and improvements, and administer the construction contract to completion.

3. Prior to the award of the construction contract by the State Transportation Board, AMEX shall deposit in an interest bearing escrow account (with a local financial institution of its choice) in the name of the State the sum of \$400,000 as its total share of the project cost. Beginning thirty days after commencement of construction on this project, the State shall withdraw at its discretion incremental payments of \$100,000 each month until the principal balance of \$400,00 has been exhausted. All sums withdrawn by the State are to be used exclusively in the construction of this project. Interest on the balance of the escrow account shall accrue to AMEX. Written notice of the monthly incremental draws shall be sent by the State to AMEX at the following addresses:

Mike Piemonte
Vice President, Real Estate
American Express Tower
43rd Floor
World Financial Center
New York, NY 10285-4300

Stephen C. Earl, Esq.
Earl, Baird & Williams
2210 Phoenix Townhouse
100 West Clarendon
Phoenix, AZ 85013

III. MISCELLANEOUS PROVISIONS

1. The cash contribution called for in this contract is being paid by AMEX to the State in express reliance upon the State's obligation hereunder to construct the freeway interchange and related facilities at Yorkshire Drive. The State agrees to diligently pursue the construction of this project to completion.

2. AMEX shall have no control over or responsibility for the project. AMEX's sole responsibility shall be to make the deposit specified above and it is acknowledged by the parties hereto that the project shall be under the control of the State and shall be handled like any other State project, unless otherwise stated herein.

3. This agreement shall remain in full force and effect until completion of said construction project.

4. All parties hereto acknowledge that this agreement is subject to cancellation by the Governor pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

5. All parties further recognize that the provisions of Arizona Revised Statutes Section 35-214 are applicable to this contract.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

AMERICAN EXPRESS TRAVEL
RELATED SERVICES COMPANY, INC.

By 

Its Vic Plencen

STATE OF ARIZONA
ARIZONA DEPARTMENT OF
TRANSPORTATION

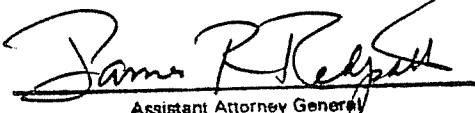
By 

W.O. Ford
State Engineer

Approved as to form:

Arizona Attorney General's Office

APPROVED AS TO FORM



Assistant Attorney General
Attorney for Department
of Transportation

Date 3/2/88